

AMENDED IN SENATE JUNE 9, 2015

AMENDED IN ASSEMBLY APRIL 16, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 793

Introduced by Assembly Member Quirk

February 25, 2015

An act to amend Section 2790 of, and to add Section 8365 to, the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 793, as amended, Quirk. Energy efficiency.

(1) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations, as defined. Existing law requires the commission to require an electrical or gas corporation to perform home weatherization services for low-income customers if the commission determines that a significant need for those services exists in the corporation's service territory. For these purposes, existing law authorizes weatherization, where feasible, to include certain measures for a dwelling unit. Existing law also authorizes weatherization, for these purposes, to include other measures determined by the commission to be feasible, taking into consideration the cost-effectiveness of the measures as a whole and the policy of reducing energy-related hardships facing low-income households.

This bill would require weatherization, for the above-specified purposes, to include energy management technology, as defined, determined by the commission to be feasible, taking into consideration the above-described factors.

(2) Existing law requires the commission, by July 1, 2010, and in consultation with the State Energy Resources Conservation and Development Commission, the Independent System Operator, and other key stakeholders, to determine the requirements for a smart grid deployment plan consistent with specified policies and federal law. Existing law requires each electrical corporation, by July 1, 2011, to develop and submit a smart grid deployment plan to the commission for approval.

This bill would require the commission to require ~~each electrical corporation~~ *an energy efficiency program administrator* to develop and implement a plan to educate its residential and business customers to better understand and control their use of electricity *or gas, as provided*. The bill would require the commission to require ~~each electrical corporation~~ *an energy efficiency program administrator* to develop an incentive program to provide incentives to a residential or *small or medium* business customer who acquires energy management technology for use in the customer's home or place of business. The bill would require the commission to require ~~each electrical corporation~~ *the energy efficiency program administrator* to annually report to the commission on actual customer savings resulting from the education plan and the incentive program.

The bill would require the commission to authorize an energy efficiency program administrator to count all energy savings achieved pursuant to the education plan and incentive program described above toward overall energy efficiency goals or targets established by the commission. The bill would require the commission, every 3 years, to evaluate the effectiveness of the education plan and the incentive program to determine whether they should continue.

(3) Because a violation of any part of any order, decision, rule, direction, demand, or requirement of the Public Utilities Commission is a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 2790 of the Public Utilities Code is amended to read:

2790. (a) The commission shall require an electrical or gas corporation to perform home weatherization services for low-income customers, as determined by the commission under Section 739, if the commission determines that a significant need for those services exists in the corporation's service territory, taking into consideration both the cost-effectiveness of the services and the policy of reducing the hardships facing low-income households.

(b) (1) For purposes of this section, "weatherization" may include, where feasible, any of the following measures for any dwelling unit:

- (A) Attic insulation.
- (B) Caulking.
- (C) Weatherstripping.
- (D) Low flow showerhead.
- (E) Waterheater blanket.
- (F) Door and building envelope repairs that reduce air infiltration.

(2) The commission shall direct any electrical or gas corporation to provide as many of these measures as are feasible for each eligible low-income dwelling unit.

(c) "Weatherization" may also include other building conservation measures, energy management technology, energy-efficient appliances, and energy education programs determined by the commission to be feasible, taking into consideration for all measures both the cost-effectiveness of the measures as a whole and the policy of reducing energy-related hardships facing low-income households.

(d) Weatherization programs shall use the needs assessment pursuant to Section 382.1 to maximize efficiency of delivery.

(e) For purposes of this section, "energy management technology" ~~is~~ *may include* a product, service, or ~~software~~, *software* that allows a customer to better understand and manage energy use in the customer's home.

SEC. 2. Section 8365 is added to the Public Utilities Code, to read:

1 8365. (a) The commission shall require ~~each electrical~~
2 ~~corporation to do an energy efficiency program administrator, as~~
3 ~~part of an existing statewide education and outreach program, to~~
4 ~~do the following:~~

5 (1) Develop and implement a plan by June 30, 2016, to educate
6 ~~its~~ residential customers and business customers to better
7 understand and control their use of electricity *or gas*. The plan
8 shall include, *where applicable*, notification of the incentive
9 program developed pursuant to paragraph (2). *The plan shall*
10 *identify the role of energy efficiency program administrators and*
11 *the statewide marketing administrator, demonstrate how efforts*
12 *will be coordinated, demonstrate how duplicative costs and*
13 *redundancies will be avoided, and consider existing educational*
14 *and outreach efforts. The statewide marketing administrator shall*
15 *be responsible for coordinating these efforts.*

16 (2) Develop a program no later than ~~June 30, 2016~~ *January 1,*
17 *2017, within the energy efficiency program administrators*
18 *demand-side management programs authorized by the commission,*
19 to provide incentives to a residential or *small or medium* business
20 customer who acquires energy management technology for use in
21 the customer's home or place of business. ~~The electrical~~
22 ~~corporation energy efficiency program administrator~~ shall allow
23 third parties or local governments to apply for incentives on behalf
24 of customers. ~~The electrical corporation energy efficiency program~~
25 ~~administrator~~ shall work with third parties, local governments,
26 and other interested parties in developing the program. ~~The~~
27 ~~electrical corporation shall establish incentive amounts at a level~~
28 ~~necessary to encourage adoption of energy management~~
29 ~~technologies that allow a customer to achieve progressively higher~~
30 ~~savings. The energy efficiency program administrator shall~~
31 *establish incentive amounts based on all estimated or, where*
32 *available, actual energy savings and energy usage reductions from*
33 *installation or implementation of energy management technologies,*
34 *taking into consideration the overall reduction in normalized*
35 *metered energy consumption as a measure of energy savings.*

36 (3) Annually report to the commission on actual customer
37 savings resulting from the education plan and the incentive program
38 established pursuant to this section. *The commission shall authorize*
39 *an energy efficiency program administrator to count all energy*
40 *savings achieved pursuant to the education plan and incentive*

1 *program toward overall energy efficiency goals or targets*
2 *established by the commission. Every three years, the commission*
3 *shall evaluate the effectiveness of the education plan and the*
4 *incentive program to determine whether they should continue.*

5 (b) For purposes of this section, “energy management
6 technology” ~~is~~ *may include* a product, service, or software that
7 allows a customer to better understand and manage electricity use
8 in the customer’s home or place of business.

9 SEC. 3. No reimbursement is required by this act pursuant to
10 Section 6 of Article XIII B of the California Constitution because
11 the only costs that may be incurred by a local agency or school
12 district will be incurred because this act creates a new crime or
13 infraction, eliminates a crime or infraction, or changes the penalty
14 for a crime or infraction, within the meaning of Section 17556 of
15 the Government Code, or changes the definition of a crime within
16 the meaning of Section 6 of Article XIII B of the California
17 Constitution.